

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

No. 1045

S.P. 353

In Senate, April 1, 1987

Reference to the Committee on Appropriations and Financial Affairs suggested and ordered printed.

JOY J. O'BRIEN, Secretary of the Senate
Presented by Senator TUTTLE of York.

Cosponsored by Senator ANDREWS of Cumberland, Senator KANY of Kennebec, Representative CROWLEY of Stockton Springs.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND EIGHTY-SEVEN

1 **AN ACT to Promote Technology Development,**
2 **Product Development, Research and**
3 **Innovation for Maine Industry.**
4

5 Be it enacted by the People of the State of Maine as
6 follows:

7 Sec. 1. 5 MRSA c. 353 is enacted to read:

8 CHAPTER 353

9 TECHNOLOGICAL ASSISTANCE AND
10 PRODUCT DEVELOPMENT

11 §6071. Purpose

12 The Legislature finds that the Maine economy is
13 linked to the national and international economies.

1 Economic changes and disruptions around the world and
2 in the nation have a significant impact upon the
3 state economy. The rise of 3rd and 4th world coun-
4 tries as manufacturers of commodities for mass market
5 and the gradual evolution of the national economy to
6 a technological, informational, specialized
7 product-based economy has a significant impact upon
8 the State.

9 In order for state firms to survive and compete
10 in the market place, it will be necessary for these
11 firms to adopt new technologies and innovative ideas
12 with respect to products and processes. The absence
13 of a recognized organization to provide the means by
14 which technological and technical assistance, product
15 development services, innovative ideas and changes in
16 market demand are provided to state businesses may be
17 a significant obstacle to the future growth and de-
18 velopment of businesses in the State.

19 It is the intent of the Legislature to establish
20 the Council on Technological Assistance and Product
21 Development to stimulate the development of
22 state-of-the-art technology and innovative products
23 and processes in the industrial sectors of the state
24 economy. It is also the intent of the Legislature to
25 establish a Product Development and Technological As-
26 sistance Referral Office to provide state firms with
27 access to technology and product development services
28 available in the private sector or at post-secondary
29 educational institutions.

30 §6072. Definitions

31 As used in this chapter, unless the context indi-
32 cates otherwise, the following terms have the follow-
33 ing meanings.

34 1. Council. "Council" means the Council on
35 Technological Assistance and Product Development.

36 2. In-kind contribution. "In-kind contribution"
37 means the provision of persons, facilities and capi-
38 tal equipment at no cost to the State.

39 3. Office. "Office" means the Product Develop-
40 ment and Technological Assistance Referral Office.

1 §6073. Council on Technological Assistance and
2 Product Development established

3 The Council on Technological Assistance and
4 Product Development is established to carry out the
5 purposes of this chapter. The council shall be com-
6 posed of 17 members representing the private sector,
7 post-secondary educational institutions, regional ec-
8 onomic development organizations and state economic
9 development agencies.

10 1. Appointment of members. The Governor shall
11 appoint the members to 4-year terms, except the ini-
12 tial members who shall be appointed to staggered
13 terms of office.

14 A. Ten members shall be appointed from the pri-
15 vate sector and shall represent different indus-
16 trial sectors of the economy. Of the initial ap-
17 pointees, 3 shall be appointed to 2-year terms, 3
18 shall be appointed to 3-year terms and 4 shall be
19 appointed to 4-year terms.

20 B. Three members shall be appointed from
21 post-secondary educational institutions with
22 technological research capacity. Of the initial
23 members, one shall be appointed for a 2-year
24 term, one shall be appointed for a 3-year term
25 and one shall be appointed for a 4-year term.

26 C. Two members shall represent regional economic
27 development organizations. Of the initial mem-
28 bers, one shall be appointed to a 2-year term and
29 one shall be appointed to a 3-year term.

30 D. The Director of the State Development Office
31 or his designee who shall be the deputy director
32 and the Executive Director of the Finance Author-
33 ity of Maine or his designee shall be members
34 representing state agencies on the board. The
35 state agency members shall serve terms of office
36 that coincide with the term of office of the Gov-
37 ernor and until their successors are appointed
38 and confirmed.

39 2. Qualifications. Persons representing the in-
40 dustrial sectors and post-secondary educational in-

stitutions shall be persons who have demonstrated ability and interest in product development and technology development.

3. Reappointment. Members representing the private sector and regional economic development organizations may be reappointed for an additional term, but may not serve more than 2 successive terms.

4. Compensation. The members shall be compensated in accordance with chapter 379.

5. Quorum. A quorum shall consist of 9 members, which shall be necessary for the council to conduct its business at any meeting of the council. Approval by a majority of the members in attendance at any meeting shall be necessary for actions taken by the council.

§6074. Powers and duties of the council

The council shall be a policy-making organization and shall be responsible for the implementation of this chapter. The council shall:

1. Employ an executive director. Employ the Executive Director of the Council on Technological Assistance and Product Development to serve at the pleasure of the council as provided in section 6077;

2. Analyze the various industrial sectors. Analyze the various industrial sectors of the state economy to determine the technological and technical needs, problems and opportunities of each sector;

3. Analyze distressed industries. Analyze distressed industries of the State to determine whether technological assistance or product development assistance can improve their economic condition and make them viable industries;

4. Analyze the potential of various innovative products and processes. Investigate and analyze the potential of various innovative products and processes relevant to state firms and to the economy of the State;

1 5. Assist state industry. Assist state industries with their technological and product development needs by providing a central referral organization which can refer state firms to the appropriate sources of technological and product development assistance;

7 6. Provide state industrial sectors with information. Provide various industrial sectors of the state economy with current information relating to state-of-the-art technology, innovative ideas with respect to products and processes and other similar information necessary for state firms to successfully compete in the market place;

14 7. Develop a communications network. Develop a communications network by which technological information, product development ideas, innovative processes and other similar information are provided to firms and economic development organizations throughout the State;

20 8. Develop a system of sources of technological information and assistance and product development assistance. Develop a comprehensive system of sources of technological information and product development information which can assist state firms and industries with their technological and product development needs;

27 9. Work closely with agencies of State Government and the economic development organizations. Work closely with other state agencies which shall cooperate with the council and the Office of Technological Assistance and Product Development to carry out the purposes of this chapter. The council shall work closely with regional and other economic development organizations to become aware of the needs and problems of industries throughout the State and to provide these organizations with the information developed by the council pursuant to this section;

38 10. Review requests for and make grants. Review requests for and make technological and product development grants pursuant to section 6079;

1 11. Review technological and product development
2 loan requests. Review technological and product de-
3 velopment loan requests and make recommendations to
4 the Finance Authority of Maine pursuant to section
5 6081 and Title 10, chapter 110, subchapter IV-A;

6 12. Seek funding from private sources. Seek
7 funding from private sources to be matched by state
8 money to implement the Product Development and Tech-
9 nology Assistance Grant Program. Funding from private
10 sources includes post-secondary educational institu-
11 tions and in-kind contributions;

12 13. Hold hearings and adopt rules. Hold hear-
13 ings and adopt rules in accordance with the Maine Ad-
14 ministrative Procedure Act, chapter 375; and

15 14. Promote research and development. Promote
16 research and development, particularly with respect
17 to products, processes and technologies for state in-
18 dustries or for the creation of new industries in the
19 State.

20 §6075. Product Development and Technological Assist-
21 ance Referral Office

22 The Product Development and Technological Assist-
23 ance Referral Office shall serve as a central refer-
24 ral agency with respect to sources of technology and
25 product development assistance, and as an information
26 distribution center with respect to technology and
27 product development pursuant to section 6074, subsec-
28 tions 5 to 8.

29 1. Executive director. The office shall be ad-
30 ministered by the executive director as provided in
31 section 6074, subsection 1, who shall be executive
32 director for the council.

33 §6076. Duties and responsibilities of office

34 The office shall implement the policies of the
35 council. The office shall:

36 1. Respond to requests for assistance. Respond
37 to requests for technological and technical assist-
38 ance and determine the nature and type of technologi-

1 cal or technical assistance required by the person or
2 firm making the request;

3 2. Refer the inquirer to appropriate source of
4 assistance. Refer the inquirer to the source or
5 sources that can best meet the technological and
6 technical requests of the inquirer;

7 3. Develop analysis of industrial sectors. De-
8 velop, with the assistance of the Maine World Trade
9 Association, the University of Maine System, other
10 post-secondary schools, regional and local economic
11 development organizations and private firms, an anal-
12 ysis of the industrial sectors of the state economy
13 that:

14 A. Examines the technological and technical
15 needs of various industrial sectors of the state
16 economy and the ability of these sectors to com-
17 pete in national and international markets;

18 B. Determines the technological and technical
19 changes necessary for the various industrial
20 sectors of the State to grow and expand and to
21 successfully compete in national and internation-
22 al markets; and

23 C. Delineates new products and processes with
24 significant potential for state firms; and

25 4. Respond to needs and requests of the council.
26 Respond to and effectively meet the needs and demands
27 of the council.

28 §6077. Executive director; appointment and qualifi-
29 cations

30 The administrator shall be the Executive Director
31 of the Product Development and Technological Assist-
32 ance Referral Office.

33 1. Appointment. The executive director shall be
34 appointed by the Governor following consultation with
35 the council and shall serve at the pleasure of the
36 council.

1 2. Qualifications. The executive director shall
2 be a person with competent skills, education and suc-
3 cessful experience in the areas of technology and
4 management. The executive director shall demonstrate
5 an understanding of the importance of research and
6 development, innovative ideas and processes and tech-
7 nological development for economic growth and devel-
8 opment of state businesses and the state economy.

9 §6078. Powers and duties of executive director

10 The executive director shall serve at the plea-
11 sure of the council and satisfactorily meet the needs
12 and requests of the council as they relate to the
13 purpose of this chapter. The executive director may:

14 1. Employ professional and clerical staff. Em-
15 ploy professional and clerical staff to serve at his
16 pleasure;

17 2. Enter into contracts. Contract with persons
18 or firms at the request of the council for services
19 necessary for the council and the office to fulfill
20 their responsibilities;

21 3. Administer Product Development and Technologi-
22 cal Assistance Referral Office. Administer, in a
23 competent manner, the Product Development and Techno-
24 logical Assistance Referral Office to meet the needs
25 of the council and the private sector;

26 4. Review grant applications. Review at the re-
27 quest of the council applications for grants pursuant
28 to section 6079;

29 5. Develop information programs for public and
30 private sectors. Develop information programs for
31 distribution of information relating to product de-
32 velopment and technology development to the public
33 and private sectors:

34 A. One program shall be aimed specifically to
35 distressed industries and firms for which new
36 technology and product development may be reason-
37 ably expected to significantly improve the eco-
38 nomical viability of the industry or firm; and

1 6. Implement Product Development and Technology
2 Assistance Grant Program. Implement a Product Develop-
3 ment and Technology Assistance Grant Program pursu-
4 ant to section 6079.

5 §6079. Product Development and Technology Assistance
6 Grant Program

7 The council shall establish the Product Develop-
8 ment and Technology Assistance Grant Program designed
9 to assist different industries of the State to devel-
10 op state-of-the-art technology and stimulate product
11 development.

12 1. Product Development and Technology Assistance
13 Grant Fund. The Product Development and Technology
14 Assistance Grant Fund shall consist of state money
15 matched equally by private money and in-kind contri-
16 butions from post-secondary educational institutions.

17 A. The grant program may be used only to foster
18 the development of the state-of-the-art technolo-
19 gy and product development for an industrial
20 sector and may not be used to assist an individu-
21 al business firm.

22 B. The council shall establish standards for the
23 implementation of the program and the award of
24 grants. These standards, at a minimum shall in-
25 clude the estimated economic impact of a project
26 on employment in an industrial sector, the esti-
27 mated spin-off and multiplier effects, the quali-
28 ty of jobs created or the number of jobs saved as
29 a result of the project.

30 §6080. Technological and Product Development Loan
31 Program

32 The council shall review applications for loan
33 requests from the Technological and Product Develop-
34 ment Loan Fund administered by the Finance Authority
35 of Maine pursuant to Title 10, chapter 110, subchap-
36 ter IV-A. The council shall make recommendations to
37 the Finance Authority of Maine with respect to the
38 estimated impact of the proposed project and the de-
39 gree of need for the proposal in each loan request or
40 the potential of the proposal and its impact upon the
41 State.

1 Sec. 2. 5 MRSA §12004, sub-§8, ¶A, sub-¶(2-A) is
2 enacted to read:

3 (2-A) Economic Council on Expenses 5 MRSA §6073
4 Development Technological Only
5 Assistance
6 and Product
7 Development

8 Sec. 3. 10 MRSA c. 110, sub-c. IV-A is enacted
9 to read:

10 SUBCHAPTER IV-A

11 TECHNOLOGY AND PRODUCT DEVELOPMENT
12 LOAN PROGRAM

13 §1085-A. Technology and Product Development Loan
14 Program established

15 The Finance Authority of Maine shall administer
16 the Technology and Product Development Loan Program
17 to assist state firms in developing state-of-the-art
18 technology or products. The Technology and Product
19 Development Loan Fund is established to carry out
20 this subchapter and Title 5, chapter 353.

21 1. Sources of fund. There shall be paid into
22 the Technology and Product Development Loan Fund:

23 A. All money appropriated for inclusion in the
24 fund;

25 B. Subject to any pledge, contract or other ob-
26 ligation, any money which the authority receives
27 in repayment of advances from the fund;

28 C. Subject to any pledge, contract or other ob-
29 ligation, all interest, dividends or other pecu-
30 niary gains from investment of money of the fund;
31 and

32 D. Any other money available to the authority
33 and directed by the authority to be paid into the
34 fund.

1 2. Application of fund. The authority may apply
2 money in the fund for purposes authorized by this
3 subchapter. Money in the fund not needed currently
4 for purposes of this subchapter may be deposited with
5 the authority to the credit of the fund or may be in-
6 vested in such manner as is provided for by law.

7 3. Accounts within fund. The authority may di-
8 vide the funds into such separate accounts as it de-
9 termines necessary or convenient for carrying out
10 this subchapter.

11 4. Revolving fund. The fund shall be a nonlaps-
12 ing revolving fund. All money in the fund shall be
13 continuously applied by the authority to carry out
14 this subchapter.

15 5. Commitment and administrative fees. The au-
16 thority may fix commitment fees in an amount not to
17 exceed 1% of the initial principal amount of a loan
18 made or insured under this subchapter. Such fees
19 may, at the discretion of the authority, be deposited
20 into the fund created under this section or into the
21 Mortgage Insurance Fund or Loan Insurance Reserve
22 Fund.

23 §1086-A. Technology and Product Development Loan
24 Program

25 1. Operation. Upon appropriation of money for
26 the Technology and Product Development Loan Fund cre-
27 ated by section 1085-A, the authority shall operate a
28 Technology and Product Development Loan Program.
29 This program may be operated in conjunction with or
30 as part of one or more other programs of the authori-
31 ty. Money in the fund may be applied to carry out
32 any power of the authority, including, without limi-
33 tation, to pledge or transfer money in the fund as
34 security for and to apply money in the fund in pay-
35 ment of principal, interest, fees and other charges
36 due on loans made or insured under this program. No
37 more than \$250,000 may be loaned from this fund to an
38 individual business.

39 2. Loans. If money in the fund is loaned for
40 purposes of this subchapter, the loan shall be equal
41 to or less than 50% of the total project cost ap-
42 proved by the authority.

1 3. Loan insurance. The authority may insure
2 payments due under a loan or lease and may pledge
3 money in the fund, as security for such loan or lease
4 which may be in addition to or in lieu of insurance
5 provided under other provisions of this chapter.
6 Loans or leases shall not constitute any debt or lia-
7 bility on the part of the authority or the State, ex-
8 cept to the extent specifically provided by contract
9 executed by the authority.

10 4. Criteria. Program criteria and procedures
11 shall be established by rulemaking pursuant to Title
12 5, chapter 375, subchapter II, and shall include lim-
13 its on the amounts of financial assistance provided
14 from the fund to any one business and requirements
15 for sources of financial assistance in addition to
16 the fund. The program shall be directed at small and
17 medium-sized businesses, as defined by the authority.
18 The authority shall establish incentives encouraging
19 effective and efficient use of money from the fund
20 to:

21 A. Develop state-of-the-art technology, innova-
22 tive products and processes, or product modifica-
23 tion or development that has significant poten-
24 tial for an industry, firm or geographical areas
25 of the State;

26 B. Transform current products into products for
27 which there is greater market demand in quantity
28 or price;

29 C. Develop technology, products and processes
30 which will increase the quality of jobs in an in-
31 dustry, firm or geographical area;

32 D. Stimulate investment in technology, product
33 development or processes in geographical areas of
34 the State deemed economically distressed by the
35 authority from data provided by the State Plan-
36 ning Office which indicates depressed areas in
37 the State;

38 E. Stimulate investment in technology, product
39 development or processes in economically
40 distressed industries in the State; and

1 F. Provide for training or retraining of dis-
2 placed, dislocated or unskilled persons.

3 With respect to any loan made or insured under
4 this subchapter, the authority, at mid-term of
5 the loan, shall determine whether the business
6 has made effective and efficient use of the money
7 pursuant to the subsection and shall reduce or
8 apply money in the fund to the reduction of the
9 interest rate on the loan if the authority deter-
10 mines that the business has made effective and
11 efficient use of the money.

12 5. Recovery. To the extent permitted by law,
13 the authority by agreement shall require repayment of
14 amounts by any business on whose behalf money from
15 the fund has been applied or pledged to carry out
16 this subchapter and by agreement shall require inter-
17 est or other premium on those amounts at such rate as
18 the authority may determine, and shall require such
19 collateral to secure repayment as may be reasonably
20 available, including junior liens as appropriate.
21 The recovery may be deferred until such time as the
22 authority shall determine.

23 6. Report. The authority shall file a report
24 showing the balance of the Technology and Product De-
25 velopment Loan Fund, the status of all outstanding
26 direct and insured loans and a report on all other
27 program activities as part of the annual report re-
28 quired by section 974.

29 Sec. 4. Issue of bonds to establish the Technol-
30 ogy and Product Development Loan Fund. The Treasurer
31 of State may, under the direction of the Governor,
32 issue from time to time registered bonds in the name
33 and behalf of the State up to an amount not exceeding
34 \$2,500,000 in the aggregate for the purpose of rais-
35 ing funds to fund the Technology and Product Develop-
36 ment Loan Fund as authorized by section 3. The bonds
37 shall be deemed a pledge of the faith and credit of
38 the State. The bonds shall not run for a longer pe-
39 riod than 10 years from the date of the original is-
40 sue. Any issuance of bonds may contain a call fea-
41 ture at the discretion of the Treasurer of State with
42 approval of the Governor.

1 **Sec. 5. Records of bonds issued to be kept by**
2 **State Auditor and Treasurer of State.** The State Au-
3 ditor shall keep an account of the bonds, showing the
4 number and amount of each, the date when payable and
5 the date of delivery to the Treasurer of State who
6 shall keep an account of each bond showing the number
7 of the bond, the date of sale and the date when pay-
8 able.

9 **Sec. 6. Sale, how negotiated; proceeds appropri-**
10 **ated.** The Treasurer of State may negotiate the sale
11 of the bonds by direction of the Governor, but no
12 bond may be loaned, pledged or hypothecated in behalf
13 of the State. The proceeds of the sale of the bonds,
14 which shall be held by the Treasurer of State and
15 paid by him upon warrants drawn by the Governor, are
16 appropriated to be used solely for the purposes set
17 forth in this Act.

18 **Sec. 7. Taxable bond option.** The Treasurer of
19 State, at the direction of the Governor, shall cove-
20 nant and consent that the interest on the bonds shall
21 be includable, under the United States Internal Reve-
22 nue Code, in the gross income of the holders of the
23 bonds to the same extent and in the same manner that
24 the interest on bills, bonds, notes or other obliga-
25 tions of the United States is includable in the gross
26 income of the holders under the United States Inter-
27 nal Revenue Code or any subsequent law. The powers
28 conferred by this section shall not be subject to any
29 limitations or restrictions of any law which may lim-
30 it the power to so covenant and consent.

31 **Sec. 8. Interest and debt retirement.** Interest
32 due or accruing upon any bonds issued under this Act
33 and all sums coming due for payment of bonds at matu-
34 rity shall be paid by the Treasurer of State.

35 **Sec. 9. Disbursement of bond proceeds.** The pro-
36 ceeds of the bonds shall be expended under the direc-
37 tion and supervision of the Finance Authority of
38 Maine.

39 **Sec. 10. Appropriation balances at year end.** At
40 the end of each fiscal year, all unencumbered appro-
41 priation balances representing state money shall carry
42 forward from year to year.

1 **Sec. 11. Bonds authorized but not issued.** Any
2 bonds authorized but not issued, or for which bond
3 anticipation notes have not been issued within 5
4 years of the ratification of this Act, shall be
5 deauthorized and may not be issued, provided that the
6 Legislature may, within 2 years after the expiration
7 of the 5-year period, extend the period for issuing
8 any remaining unissued bonds or bond anticipation
9 notes for an additional amount of time not to exceed
10 5 years.

11 **Sec. 12. Contingent upon ratification of bond**
12 **issue.** Sections 1 to 9 shall not become effective
13 until the people of the State have ratified the issu-
14 ance of bonds as set forth in this Act.

15 **Sec. 13. Statutory referendum procedure; submis-**
16 **sion at statewide election; form of question; effec-**
17 **tive date.** This Act shall be submitted to the legal
18 voters of the State of Maine at a statewide election
19 to be held on the Tuesday following the first Monday
20 of November following passage of this Act. The city
21 aldermen, town selectmen and plantation assessors of
22 this State shall notify the inhabitants of their re-
23 spective cities, towns and plantations to meet, in
24 the manner prescribed by law for holding a statewide
25 election, to vote on the acceptance or rejection of
26 this Act by voting on the following question:

27 "Shall the State create the Technology and
28 Product Development Loan Program to be
29 funded with a 2,500,000 bond issue?"

30 The legal voters of each city, town and planta-
31 tion shall vote by ballot on this question, and shall
32 designate their choice by a cross or check mark
33 placed within a corresponding square below the word
34 "Yes" or "No." The ballots shall be received,
35 sorted, counted and declared in open ward, town and
36 plantation meetings and returns made to the Secretary
37 of State in the same manner as votes for members of
38 the Legislature. The Governor shall review the re-
39 turns and, if it appears that a majority of the legal
40 voters are in favor of the Act, the Governor shall
41 proclaim that fact without delay, and the Act shall
42 become effective 30 days after the date of the proc-
43 lamation.

1 The Secretary of State shall prepare and furnish
2 to each city, town and plantation all ballots, re-
3 turns and copies of this Act necessary to carry out
4 the purpose of this referendum.

5 **Sec. 14. Appropriation.** The following funds are
6 appropriated from the General Fund to carry out the
7 purposes of this Act.

8 1988-89

9 COUNCIL ON TECHNOLOGICAL
10 ASSISTANCE AND PRODUCT
11 DEVELOPMENT

12 All Other

\$250,000

13 The money appro-
14 priated to the
15 council shall be
16 used for the
17 Product Develop-
18 ment and Tech-
19 nology Assist-
20 ance Grant Pro-
21 gram as defined
22 in the Maine Re-
23 vised Statutes,
24 Title 5, chapter
25 353.

26 STATEMENT OF FACT

27 This bill establishes the Council on Technologi-
28 cal Assistance and Product Development and a Product
29 Development and Technological Assistance Referral Of-
30 fice. The intent of the bill is to stimulate techno-
31 logical research and product development in the
32 State.

33 This bill is based on the premise that the
34 State's economy, like the national and international
35 economies, is undergoing significant change which
36 will continue into the future. In order for Maine to
37 benefit during this period of dynamic change, it is
38 necessary for Maine enterprise to be aware of new
39 technology and product development. In addition, it

1 is necessary to encourage innovative ideas and con-
2 cepts among Maine firms.

3 The Council on Technological Assistance and
4 Product Development, composed of members of the pri-
5 vate sector, post-secondary educational institutions,
6 regional economic development organizations, the Di-
7 rector of the State Development Office and the Execu-
8 tive Director of the Finance Authority of Maine,
9 serves as a policy-making council to determine the
10 technological needs, problems and opportunities among
11 industrial sectors of the State. The council is re-
12 quired to provide technological and product develop-
13 ment information to the private sector and to encour-
14 age the development of new technology, new products
15 and innovative ideas.

16 To achieve this goal, the council is authorized
17 to administer a \$500,000 grant program beginning in
18 fiscal year 1988-89. The State provides \$250,000 for
19 the program to be matched by the private and educa-
20 tional sectors. The council will award grants to in-
21 dividuals or firms which can provide the council with
22 technology and product development proposals that the
23 council deems feasible and very promising for the
24 State's economy.

25 In addition to the grant program, the Technology
26 and Product Development Loan Program, administered by
27 the Finance Authority of Maine in consultation with
28 the council, will provide low-interest loans to state
29 firms or new firms with feasible technological and
30 product development proposals. This loan program
31 will operate on a revolving fund into which borrowers
32 repay their loans. The fund is established at
33 \$2,500,000 to be funded by a bond issue.

34 The Product Development and Technological Assist-
35 ance Referral Office headed by an executive director
36 serves as the staff to the council and as a referral
37 office for state firms seeking sources of technology
38 and product development assistance. Any business can
39 contact the office and will be referred to the appro-
40 priate educational institution, firm or other agency
41 to assist the business with its particular needs.

42

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